

107TH CONGRESS
2D SESSION

H. R. 3721

To amend the Federal Election Campaign Act of 1971 to require the Federal Election Commission to establish and administer an escrow account for certain campaign contributions that a political committee intends to return to the contributor, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 12, 2002

Mr. GEKAS introduced the following bill; which was referred to the Committee on House Administration, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Federal Election Campaign Act of 1971 to require the Federal Election Commission to establish and administer an escrow account for certain campaign contributions that a political committee intends to return to the contributor, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Apprehension of Taint-
5 ed Money Act of 2002”.

1 **SEC. 2. SPECIAL RULES FOR TREATMENT OF CONTRIBU-**
2 **TIONS TO BE RETURNED TO DONORS BY PO-**
3 **LITICAL COMMITTEES.**

4 (a) IN GENERAL.—Title III of the Federal Election
5 Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended
6 by adding at the end the following new section:

7 “TREATMENT OF CERTAIN CONTRIBUTIONS TO BE
8 RETURNED TO DONORS

9 “SEC. 323. (a) TRANSFER TO COMMISSION.—Not-
10 withstanding any other provision of this Act, if a political
11 committee intends to return any contribution given to the
12 committee in an amount equal to or greater than \$500
13 to the person making the contribution (other than a con-
14 tribution returned within 60 days of receipt by the com-
15 mittee), the committee shall transfer the contribution to
16 the Commission, together with a request that the Commis-
17 sion return the contribution to the person making the con-
18 tribution in accordance with this section. The Commission
19 shall consider the return of any contribution, and any cir-
20 cumstances surrounding such return, in determining
21 under section 309(a)(2) whether it has reason to believe
22 that a person has committed a violation of this Act, title
23 18, United States Code, or chapter 95 or 96 of the Inter-
24 nal Revenue Code of 1986.

25 “(b) ESTABLISHMENT OF ESCROW ACCOUNT.—

1 “(1) IN GENERAL.—The Commission shall es-
2 tablish a single interest-bearing escrow account for
3 contributions transferred under subsection (a).

4 “(2) PROCEDURES UPON TRANSFER FROM COM-
5 MITTEE.—Upon receiving amounts from a political
6 committee under subsection (a), the Commission
7 shall—

8 “(A) deposit the amounts in the account
9 established under paragraph (1); and

10 “(B) notify the Attorney General of the re-
11 ceipt of the amounts from the political com-
12 mittee.

13 “(3) USE OF INTEREST TO COVER ADMINISTRA-
14 TIVE COSTS.—Any interest earned on amounts in
15 the account established under paragraph (1) shall be
16 applied towards the administrative costs incurred by
17 the Commission in establishing and administering
18 the account, and any remaining interest shall be de-
19 posited in the general fund of the Treasury.

20 “(c) USE OF AMOUNTS PLACED IN ESCROW TO
21 COVER FINES, PENALTIES, AND COSTS OF INVESTIGA-
22 TION.—The Commission or the Attorney General may re-
23 quire any contribution deposited in the escrow account
24 under subsection (b) to be used as follows:

1 “(1) To be applied towards the payment of any
2 fine or penalty imposed under this Act, title 18,
3 United States Code, or chapter 95 or 96 of the In-
4 ternal Revenue Code of 1986 against the person
5 making the contribution involved.

6 “(2) If such a fine or penalty is imposed, to be
7 applied towards the costs incurred by the Commis-
8 sion or the Attorney General in conducting any in-
9 vestigation of the contribution involved under this
10 Act, title 18, United States Code, or chapter 95 or
11 96 of the Internal Revenue Code of 1986.

12 “(d) RETURN OF CONTRIBUTION AFTER DEPOSIT IN
13 ESCROW.—The Commission shall return a contribution
14 deposited in the escrow account under subsection (b) to
15 the person making the contribution if—

16 “(1) the Commission and the Attorney General
17 certify that the making of the contribution is not the
18 subject of an investigation under this Act, title 18,
19 United States Code, or chapter 95 or 96 of the In-
20 ternal Revenue Code of 1986, or that such an inves-
21 tigation has concluded;

22 “(2) the Commission and the Attorney General
23 certify that the contribution will not be used to cover
24 fines, penalties, or costs pursuant to subsection (c)
25 or, if the contribution will be used for such purposes,

1 that the amounts required for such purposes have
2 been withdrawn from the escrow account and sub-
3 tracted from the returnable contribution; or

4 “(3) for any 120-day period after the date the
5 contribution is deposited in the escrow account, nei-
6 ther the Commission nor the Attorney General have
7 pursued an investigation of the making of the con-
8 tribution under this Act, title 18, United States
9 Code, or chapter 95 or 96 of the Internal Revenue
10 Code of 1986.”.

11 (b) EFFECTIVE DATE.—The amendment made by
12 subsection (a) shall apply with respect to contributions re-
13 turned on or after the date of the enactment of this Act,
14 without regard to whether the Federal Election Commis-
15 sion or Attorney General has issued regulations to carry
16 out section 323 of the Federal Election Campaign Act of
17 1971 (as added by such subsection) by such date.

18 **SEC. 3. EXPEDITED ADMINISTRATIVE PROCEDURE FOR**
19 **REGULATIONS.**

20 Notwithstanding any provision of subchapter II of
21 chapter 5 of title 5, United States Code, the Federal Elec-
22 tion Commission and the Attorney General shall issue
23 final regulations to carry out section 323 of the Federal
24 Election Campaign Act of 1971 (as added by section 2(a))

- 1 not later than 30 days after the date of the enactment
- 2 of this Act.

